

**STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING**

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

MINUTES OF THE MEETING

Friday, October 28th, 2016

These are DRAFT minutes prepared by the staff of the Division of Corporations, Business and Professional Licensing. These minutes have not been reviewed or approved by the Board.

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Board of Certified Real Estate Appraisers was held at the Robert Atwood Building, 550 West 7th Avenue, Friday, October 28th, 2016 beginning at 8:56 a.m. The meeting was held in Suite 1500, Anchorage, Alaska.

Agenda Item #1 Call to Order/Roll Call 8:56 a.m.

The meeting was called to order at 8:56 am by David Derry, Chair.

Those present, constituting a quorum of the Board:

David Derry, Chair, Licensed General Real Estate Appraiser
Alfred Ferrara, Licensed General Real Estate Appraiser (*via telephone*)
Robert Tracy, Certified Residential Real Estate Appraiser
Renee Piszczek, Mortgage Lending Member

Division Staff present in the meeting:

Laura Carrillo, Records and Licensing Supervisor
Aiko Zaguirre, Licensing Examiner (*via telephone*)
Charles Ward, Paralegal (*via telephone*)
Marilyn Zimmerman, Paralegal (*via telephone*)
Jay Paff, Investigator (*via telephone*)

Present from the Public:

Lee Borden, Environmental Specialist from the Alaska Department of Environmental Conservation (*via telephone*)

Agenda Item #2 Review Agenda 8:57 a.m.

Mr. Derry first welcomed the new Licensing Examiner, Aiko Zaguirre, who has been working with the Division for the Medical Board since April 2015. The Board then proceeded to review the agenda. Ms. Carrillo stated that there will be no Budget Report or Division Update, as the Budget Report was presented by Martha Hewlett during the last meeting on June 1st, 2016. She has also informed the Board that Lee Borden may call at 1:00 p.m. for Public Comment. Ms. Carrillo also reminded the Board of the regulations draft that she has forwarded to them for review, suggesting that they can either discuss it under Board Business, or when she presents for the AARO Conference update. Mr. Derry proceeded to notifying everyone that Mr. Tracy will be leaving at noon to attend to another obligation.

On a motion duly made by Renee Piszczek, seconded by Robert Tracy, and approved unanimously, it was:

RESOLVED to approve the agenda as amended.

Agenda Item #3 Review/Approve Minutes (June 1st, 2016) 8:59 a.m.

Mr. Derry proceeded to review the minutes, as there were no more issues or concerns with the agenda. Ms. Piszczek and Mr. Derry commended Ms. Carrillo for her work on the minutes. Mr. Derry mentioned that his e-mail information on the packet was incorrect, asking it be corrected.

TASK:

Ms. Carrillo will collect from Mr. Derry the correct contact information and update his information on the Board Roster.

On a motion duly made by Alfred Ferrera, seconded by Renee Piszczek, and approved unanimously, it was:

RESOLVED to approve the meeting minutes.

Agenda Item #4 Ethics Disclosure/Review Ethics 9:01 a.m.

There were no ethics to disclose

Agenda Item #5 AARO Conference Update 9:03 a.m.

Jay Paff entered the room at 9:17 a.m.

Jay Paff left the room at 9:19 a.m.

Hearing nothing further on ethics disclosures, Mr. Derry prompted Mr. Tracy and Ms. Carrillo to provide updates on their attendance at the AARO Conference in Washington, DC. Session topics included AMC's and professional organizations, Board member and regulator breakouts, corrective education, investigations, national registry updates, mass appraisal experience, and USPAP.

Appraisal Management Companies (AMC')

Mr. Tracy first thanked the Board for the opportunity to attend, and was grateful to have made valuable contact with regulators and other industry members. Among state regulators and AMC representatives in attendance, Mr. Tracy was able to meet with Mark Schiffman with the Real Estate Valuation Advocacy Association (REVAA) in Minnesota, who discussed AMC final rules and the challenges and opportunities that come with enacting legislation. Mr. Tracy suggested that it would be beneficial to adopt regulations for AMC's, so as to have clear guidelines for them working in Alaska and to comply with Dodd-Frank, which requires that states establish minimum standards for registration and supervision of AMC's. Mr. Tracy informed the Board that Mr. Schiffman would join the meeting telephonically to further discuss AMC's.

Supervisors/Trainee

Regarding supervisors, trainees, and USPAP, it was acknowledged that there is a growing shortage of trainees across the nation. There also are some misunderstandings between the roles of supervisors and the extent of trainee involvement. Mr. Tracy made salient to the Board that there is some dissonance among lenders and regulators in this regard; lenders believe that supervisors should be signing every report in which their trainee is involved. From a regulatory standpoint, however, and in compliance with USPAP/AQB, supervisors are able to delegate signing duties to their trainees at their discretion, or when they are confident in their trainees being able to competently sign and certify on their own. Mr. Tracy also informed the Board that attendees were informed of current license trends across the nation, which are steadily declining following changes to the criteria that require a bachelor's degree. Ms. Carrillo commented that for the licensed residential option, the AQB is considering removing the degree requirement, and may instead require an associate's degree, experience, or a combination of both.

Corrective Education

Ms. Carrillo and Mr. Tracy attended a session on corrective education provided on the Appraisal Foundation's website. The corrective education is not treated as continuing education, and thus does not require continuing education applications to be submitted to the Board for review/approval. The intent behind corrective education is to remind/inform

licensed/certified appraisers of accurate applications of USPAP, which are addressed in four separate courses including: Appraiser Self-Protection: Documentation and Record Keeping (record keeping and ethics rules); Report Certifications: What Am I Signing and Why? (limiting conditions and certifications, ethical obligations under USPAP); Residential Report Writing vs Form Filling (URAR, GIS mapping); and Scope of Work: Appraisals and Inspections (scope of work, assignment conditions). The Board will discuss whether corrective education would be an appropriate consent agreement solution with Charles Ward during Agenda Item #7.

Criminal Background Checks

Ms. Carrillo also provided updates to criminal history background checks, which the AQB/ASC is requiring states to implement no later than January 1st, 2017. Ms. Carrillo spoke with the Florida Board's lawyer, who stated that their Board only uses a name-search background check. Ms. Carrillo and the Board discussed the differences between a name-search background check and a finger-print background check, with the latter being a "one-and-done" option, but requiring a few extra steps. The former would require background checks from every state an applicant has ever held credentials, which may result in relatively longer processing times.

Due to time constraints, the Board has decided to move on to the next Agenda item and continue with the discussion on the topics of Corrective Education and Criminal Background checks in Agenda Item #s7 and 8 respectively.

TASK:

Mr. Tracy and Ms. Piszczek will work on the AMCs for clearing-up any misconceptions.

TASK:

All Board members will provide comments/recommendations to be relayed to the subcommittee.

Agenda Item #6

Investigations Report/Expert Review

9:35 a.m.

Jay Paff entered the room at 9:35 a.m.

Jay Paff left the room at 10:00 a.m.

Charles Ward and Marilyn Zimmerman joined the room in 9:21 a.m.

Charles Ward and Marilyn Zimmerman left the room in 9:46 a.m.

Mr. Paff began his report by stating that within the timeframe of May 19th-October 11th, 2016, two investigative matters were opened, with which one related to a license

application has been closed. The other matter remains open as a pending case in which Mr. Paff was tasked to consult an expert witness for review of a commercial property appraisal, who suggested that there was no issue with the appraisal, which the Board has been informed of. Mr. Derry asked Mr. Paff if the Board needed to go into Executive Session to touch more on the matter, to which Mr. Paff explained it will be necessary if the Board wishes to keep the identity of the involved confidential.

On a motion duly made by Alfred Ferrera, seconded by Renee Piszczek, and approved unanimously, it was:

RESOLVED to enter into executive session in accordance with AS 44.62.310(c), and Alaska Constitutional Right to Privacy Provisions, for the purpose of discussing Subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion and Matters which by law, municipal charter, or ordinance are required to be confidential and for the purpose of discussing confidential disciplinary matters for the purpose of discussing investigations and reports.

Staff, Ms. Carrillo and Ms. Zaguirre, and Investigator Jay Paff would be present for discussion.

Off the record at 9:46 a.m.

On the record at 10:03 a.m.

Upon return from executive session, Mr. Derry opened the floor to entertain any motions pertaining to case #2016-000832.

On a motion duly made by Alfred Ferrera, seconded by Renee Piszczek and approved unanimously, it was:

RESOVLED to accept the expert review for case #2016-000832.

Agenda Item #7

CE Fines/Reprimands

10:05 a.m.

Charles Ward and Marilyn Zimmerman joined the room at 10:05 a.m.

Charles Ward and Marilyn Zimmerman left the room at 10:37 a.m.

With no other objections on the Investigative Report/Expert review, Mr. Derry proceeded to allow Mr. Ward to speak for the outstanding Continuing Education Audit. Mr. Ward first introduced Marilyn Zimmerman, Paralegal I of the Division. Ms. Zimmerman was

previously staffed at the Division and recently returned last October. Mr. Ward explained that Ms. Zimmerman was asked to be present to the meeting as she will be working with him in handling the Continuing Education matters for the Board until his replacement takes over. Mr. Ward has accepted a new position within the Division. According to Mr. Ward, the Board still has one outstanding CE audit, which he hoped would be resolved by the next Board meeting, as he is in contact with the licensee. The Board did not have any issues with this.

Mr. Ward proceeded to discuss the position statement regarding disciplinary measures for failed CE audits that he received from Ms. Carrillo, which was created by Mr. Ferrera. Mr. Ward had previously provided feedback to Ms. Carrillo on the matter, and reiterated that although he does not have anything else to add, he can answer any questions that the Board might have. He also stated that he has read the Corrective Courses for Appraisers, which he expressed his openness for commenting on the matter, if the Board desired.

Corrective Courses for Failed Continuing Education Audits

Mr. Derry has opened up the discussion on the corrective courses, which Mr. Tracy and Ms. Carrillo has explained in detail. Ms. Carrillo read the Corrective Courses Memo that specifies what the new courses are about, which she has initially explained earlier on her presentation during the Agenda Item #5: AARO Conference Update. When Mr. Derry pondered on the intent of the classes/topics, to which Mr. Tracy responded as the classes being specifically formulated from the typical weaknesses that Appraisers have been experiencing. Ms. Carrillo stated that she will be forwarding the rest of the document to the Board, which she got during the AARO conference, as she figured that this can be a good source for brainstorming solutions for failed CE auditing that can serve as disciplinary actions.

TASK:

Ms. Carrillo will email the full document containing the Corrective Courses to the Board.

Although this was initially forwarded to Mr. Ward for guidance, Ms. Carrillo stated that the Board first needed to make a decision. Mr. Derry deliberated if the courses discussed can be a directive measure that the Board can use to oblige a certificate holder who fails to comply with the Continuing Education requirement for them to take, which Mr. Tracy asserted. Mr. Tracy added that the course that will be required to complete will be in relation to the deficient continuing education topic that the Board needs to determine. He also added that these are 4-hour online courses that cost \$250.00 each, and are currently available on the Appraisal Foundation's website. Ms. Carrillo reiterated that these are helpful courses as

they are specified for appraisers, as compared to the Ethics and Boundaries Assessment Services (EBAS), as the latter is more general, and one that any professional Board can use. With the information provided, Mr. Derry asked if these courses needed approval to be implemented in the State, to which Ms. Carrillo answered, stating that these do not need to be submitted for course approval, as they are not for continuing education. Ms. Carrillo then proceeded to asking Mr. Ward for an advice regarding the matter, as he knows the protocol on implementing reprimands.

Mr. Ward stated that the Board can use Consent Agreements, which is a contract between a licensee and the Division, to implement this possible disciplinary corrective action, as guided by the Board. Mr. Ward affirmed that under this option, so as long as the request made to the licensee is legal and morally acceptable, they can demand or advise on the contract whatever means they deem necessary be added to the agreement. Mr. Ward affirmed the Board's statutory authority under the Division's centralized statute AS 08.01.075(a)(6), wherein the Board can impose additional continuing education requirements as a disciplinary measure, that is, in this instance, the Board can request a certificate holder to participate in some corrective education as provided by the appraisal institute. Mr. Ward also suggested that the Board add this to the position statement that they have been developing, if they decide to pursue this as a disciplinary measure.

With Mr. Ward's input on the corrective education matter, Mr. Derry asked the Board to reference this to the position statement that Mr. Ferrera has written. Mr. Derry asked the Board for their opinion on the verbiage that they would be using, whether to keep using "Letter of Advisement," than "Letter of Reprimand." Both Mr. Ferrera and Mr. Derry asserted in using the former than the latter, to which the rest of the Board has agreed to. Mr. Derry pointed out that "advisement," is a better term to clarify the requirements for continuing education deficiencies, preventing confusion on using "reprimand," being a grave disciplinary action, as opposed to simply a failure of compliance with the requirement, which could negatively affect a certificate holder's career.

On a motion duly made by Renee Piszczek, seconded by Alfred Ferrera and approved unanimously, it was:

RESOVLED to continue using letters of "advisement" for continuing education deficiencies instead of "reprimand."

Appraisal Board's Position Statement

After voting on the use of letters of advisement over reprimand, Mr. Derry proceeded to the Continuing Education position statement that Mr. Ferrera has written for the Board to review. On the position statement, Mr. Derry has pointed out that the \$50 per hour of

deficiency is not sufficient, suggesting to simply make the fine \$1500 total. As asserted by Mr. Ward, this would not be an issue, so as long as the fine would not exceed \$5000. With this, Mr. Ferrera stated that the \$50 fee on the position statement is simply a starting point, and agreed to what Mr. Derry had earlier recommended that the fee should cost more than the cost of the classes missed. Based from how the other professional Boards handle CE deficiencies, Mr. Ward suggested that the Board can require a licensee to pay a fixed amount for non-compliance, and in addition to that, the Board may ask the licensee to compensate for whatever amount the Board would require them to pay or to re-take any courses or classes related to the ones they missed.

Hearing this, Mr. Derry opened the floor for amount suggestions, to which Mr. Tracy replied to having a \$2500 minimum as the required fee, plus additional \$100 per hour of missed class. Mr. Ferrera asserted that there should be at least a \$1500 fixed amount as fee, and agreed to the additional \$100 per hour that is deficient. In light of all the discussion, Mr. Ward added that the Board would need to be clear in distinguishing between egregious and innocuous deficiencies. With this, Mr. Tracy has also suggested that there should be non-arbitrary and consistent recommendations.

After discussing all suggested measures and possible repercussions, Mr. Derry and Mr. Ferrera suggested to add on the last line on the second paragraph on the position statement the possibility of the fine being deferred to be written as: *"with up to \$1500 suspended at the discretion of the Board, when the education requirement was met."* Mr. Derry also recommended to change the \$50 fine to \$100 on the last paragraph, and add more information on the mandatory audits on the next succeeding audits (2 audit periods). Mr. Derry also suggested changing the title of the Position statement to "Violations of Continuing Education Re-certification," which Mr. Tracy agreed to.

For the purpose of informing all certificate holders regarding this matter, the Board will be posting this position statement on the website so all certificate holders are informed. Mr. Derry has also suggested sending this along when re-certifications that will be mailed in June. Ms. Carrillo commented that since there is an option to renew online, this could just be added as a separate link that the certificate holders can print or as a separate window to appear on their screens before they finish their renewals online, as Mr. Ward reiterated.

On a motion duly made by Robert Tracy, seconded by Renee Piszczek and approved unanimously, it was:

RESOVLED to adopt the position paper as written with the proposed amendments.

TASK:

The Examiner will include the position statement draft with the instructions page, along with the position statement that will be sent on the next renewal.

TASK:

The Examiner will update the position statement and post it on the Board's position statement page.

Agenda Item #5

AARO Conference Update

10:45 a.m.

With no further discussion on the position statement, Mr. Derry reverted back to the pending conversation on the AARO conference that was agreed to be continued before or during Agenda Item #8: Board Business.

Ms. Carrillo handed out the Board's regulations draft to the Board and discussed whether the Board had statutory authority, as it's not included anywhere in AS 08.87 and 12 AAC 70. Ms. Carrillo did find on a law website that lists Certified Real Estate Appraisers as number (8) under AS 12.62.400(a), however, she was unable to confirm whether this is a legitimate statute. Ms. Carrillo asked Ms. Zaguirre to verify with Mr. Ward on the matter, to which Ms. Zaguirre obliged to.

Mr. Tracy stated that the AARO Conference is a vital resource for the Board, as it would allow them to assert their responsibilities. Mr. Tracy added that with all that he has learned from the conference, he hoped that in the future, the Board can reconsider not having to review courtesy licensees' work reports, which Mr. Derry extended his openness to, stressing that this is an issue that they can address in the future.

TASK:

Mr. Tracy was encouraged by Mr. Derry to be in contact with the Alaska Chapter Appraisal Institute to provide some input regarding the continuing education corrective measures that the Board seeks to implement, as well as any other issues that may be worth discussing by the Board.

Agenda Item #8

Board Business

11:00 a.m.

With the agreement that the Board would get back to the Board's statutory authority regarding criminal background checks after lunch, Mr. Derry proceeded to the review of applications.

Applications Review

The Board first reviewed a certified residential real estate appraiser application via Reciprocity from Indiana that was submitted by Jasen Simcox.

On a motion duly made by Alfred Ferrera, seconded by Robert Tracy and approved unanimously, it was:

RESOLVED to approve the certified residential real estate appraiser application submitted by Jasen Simcox.

On a motion duly made by Alfred Ferrera, seconded by Renee Piszczek and approved unanimously, it was:

RESOLVED to approve the certified general real estate appraiser application submitted by Brian Tankersley.

On a motion duly made by Robert Tracy, seconded by Renee Piszczek and approved unanimously, it was:

RESOLVED to approve the supervisory request of Robert Olchin, #APRR687.

On a motion duly made by Robert Tracy, seconded by Renee Piszczek and approved unanimously, it was:

RESOLVED to approve the supervisory request of Nancy Whitmore, #APRR677.

On a motion duly made by Robert Tracy, seconded by Alfred Ferrera and approved unanimously, it was:

RESOLVED to table the certified residential real estate appraiser application submitted by Jana Malingowski until she submits the additional work product that the Board has requested for review.

Mr. Derry stated that Mr. Ferrera will be choosing and reviewing the additional work product that will be requested by the examiner from the applicant.

TASK:

Mr. Ferrera will choose and review the additional work product for Jana Malingowski's application.

TASK:

The examiner will contact the applicant for the work product that Mr. Ferrera chooses to be reviewed.

The next application reviewed was for Geoffrey Oliver's application for Supervisory appraisal, which was initially issued in error, as the applicant did not take an updated supervisory course prior to the recent changes on the approved AQB requirements. Ms. Derry has informed the Board that Mr. Oliver has acknowledged the error, and has registered to take the correct course for tsupervisory approval. Ms. Carrillo also clarified that the applicant would only need to submit an updated certificate as proof of successful completion of the required supervisory course, and will not be required to re-submit a new supervisory application. Ms. Carrillo explained to the Board that they could approve Mr. Oliver's application as pending, until receipt of the said certificate.

On a motion duly made by Renee Piszczek, seconded by Robert Tracy and approved unanimously, it was:

RESOLVED to approve the supervisory approval request of Geoffrey Oliver, #APRG892, pending the receipt of his certificate for the successful completion of his supervisory training course.

David Derry, Chair, called for a short break at 11:10 a.m.

The Board went back on the record at 11:24 a.m.

On a motion duly made by Robert Tracy, seconded by Renee Piszczek and approved unanimously, it was:

RESOLVED to approve the continuing education course applications submitted by the Appraisal Institute; course #15383, Case Studies in Appraising Green Residential Buildings; course #15548, Review Case Studies – Residential; and course #15548, Residential & commercial Valuation of Solar.

On a motion duly made by Renee Piszczek, seconded by Robert Tracy and approved unanimously, it was:

RESOLVED to approve the submitted continuing education course applications by McKissock, LP, namely, course #15551, The Income Approach: An Overview; and course #15553, Residential Property Inspection for Appraisers.

With no further concerns regarding the applications reviewed, the Board moved to reviewing the frequently asked questions posted on the website for the Real Estate Appraisers Board. Mr. Derry commended Ms. Carrillo for her work on the FAQs, as they were clear and well written, which are necessary for informing prospective appraiser applicants in the State. The Board did not have any more issues regarding the FAQs and proceeded to reviewing the “Getting Started Document.”

Mr. Derry raised an unclear sentence in the Examination Approval Process document, specifically on bullet #5 which states that, “...the exam must be taken within 24 months preceding approval date,” with the understanding that an applicant first needs to pass and take an exam before approval, but on the third paragraph on the sample letter attached, it states that the applicant “...must take the examination within 24 months preceding the date of your application...” Ms. Carrillo clarifies that the applicant needs to be prepared to take the exam within two years by the time of their application. Mr. Derry instructed that the letter should be changed to say that the examination must be taken 24 months after the approval to sit for the AQB-Certified Uniform Exam.

TASK:

The examiner should rewrite the examination approval document, clearly stating that the exam should be taken 24 months subsequent to being approval to sit for the exam.

As for the authentication of the examination scores, Mr. Derry clarifies that the Board requires the exam results to be provided to the Board directly by the examination entity, they have been sending the scores to the applicant instead. Ms. Carrillo asserts that when she was in contact with Pearson Vue, they had discrepant procedures for handling scores. Ms. Carrillo was informed by an applicant that there is a way for an examiner to authenticate exam scores online, which is still considered being compliant with the ASC. The instructions on how to authenticate scores were provided by Ms. Carrillo to the Board. The authenticator would need to acquire from the applicant both the registration and validation numbers in order for him or her to check and verify the results.

With no more issues tackled, the Board moved to discussing the Goals and Objectives that they need to draft. Ms. Carrillo stated that the Goals and Objectives are necessary, especially when the Board does their annual report, as this is one of the important aspects for the report. Ms. Carrillo affirms that this helps in informing what the Board is seeking to implement and improve. Ms. Carrillo has included the Goals and Objectives of the Chiropractic Board as an example to help the Real Estate Appraisers Board in formulating their own. In regards to this, Ms. Carrillo commented to the Board to reconsider their process in reviewing appraisal reports for courtesy license applications, which was one of

Mr. Tracy's earlier suggestions. Ms. Carrillo stated that this can be included in their Goals and Objectives, as the Board has been receiving many work products to be reviewed, resulting in the backlog of their evaluation and completion. Mr. Tracy indicated that in the next coming years, the Board might be receiving more reports to review. Mr. Derry stated that the members of the Board who are appraisers can get very particular about the process of reviewing the reports, as they want to make sure that the reports are USPAP compliant. Mr. Derry asked the rest of the Board for their input regarding the issue, with the Board agreeing to stop reviewing work products completely. Ms. Carrillo recalled the steps in disseminating the reports, from receipt to instructing the Publication Specialist to upload it to the secure site, which can take some time.

On a motion duly made by Alfred Ferrera, seconded by Robert Tracy and approved unanimously, it was:

RESOLVED to retain the work reports received for Courtesy licenses in electronic format, and discontinue the review by the Board, unless the Board would deem otherwise.

The Board will still be reviewing the pending reports they c have, but will be discontinuing this step for the succeeding courtesy license applications that will be processed.

TASK:

Mr. Derry and Mr. Tracy will complete the review for the pending work products.

TASK:

Mr. Derry will draft the Goals and Objectives, and submit it to Ms. Carrillo.

TASK:

Ms. Carrillo will disseminate the Goals and Objectives received from Mr. Derry to the rest of the Board.

Agenda Item #9

Lunch

12:00 p.m.

David Derry, Chair, called for lunch at 12:00 p.m.

Robert Tracy left the meeting at 12:00 p.m.

Off the record 12:00 p.m.

On the record 1:19 p.m.

Agenda Item #10

Public Comment

1:19 p.m.

Lee Borden entered the room at 1:19 a.m.

Lee Borden off the record at 1:33 p.m.

The Board resumed the meeting for public comment after lunch with Lee Borden, Environmental Specialist, to discuss about the contingency measure on air quality that the Department of Environmental Conservation (DEC) is seeking to implement imminently. Mr. Borden explained that the Clean Air Act requires States to adopt contingency measures as part of air quality plans for nonattainment areas. Mr. Borden informed the Board of the said contingency measure that would require the removal of heating devices that use firewood—including wood stoves, pellet stoves, hydronic heaters, and large devices with greater than 350,000 BTU per hour—before a property is put out for sale, under lease, or conveyed, within the Fairbanks North Star Borough PM2.5 Nonattainment Area. Unless the devices are EPA certified or meets the current emission standards, they should be removed from the property within the said area. Mr. Borden states that DEC maintains a list of the devices that are exempted or meet the current standard, which is posted on their website. Mr. Borden affirmed that this measure will be taking effect in 2017, which is why they are looking to inform the affected stakeholders of the contingency measure ahead of time. Mr. Derry asked Mr. Borden when specifically the measure will be taking effect to, which Mr. Borden explained that there is still no specified timeline, although expected to happen by summer or fall of 2017. Mr. Derry advised Mr. Borden to be in contact with the Alaska Chapter Appraisal Institute, as this is an issue that the Board needed to be informed of.

TASK:

Ms. Carrillo will disseminate Mr. Borden's contact information to the Board.

TASK:

Mr. Derry will provide Mr. Borden the contact information of the Alaska Chapter Appraisal Institute's Chair.

Agenda Item #8

Board Business

1:34 p.m.

After no more discussions were opened during the public comment period, Ms. Carrillo returned to discussing the statute that indicates that the Real Estate Appraisers Board are one of the professional Boards under AS 12.62.400(a)(8). Licensing examiner, Aiko Zaguirre spoke with Paralegal, Charles Ward and was able to clarify that this is indeed correct. The Board appears to have statutory authority to request fingerprints for FBI checks and is also able to promulgate regulations as consistent and as required with Dodd-Frank. Ms. Carrillo included relevant criminal background check wording for all license/certificate types in the proposed regulation change document. Since the Board is not sure how the process in acquiring a criminal background check and its results, Ms. Carrillo offered to ask another examiner with a different Board who requires them.

TASK:

Ms. Carrillo or Ms. Zaguirre will speak with another examiner whose Board requires a criminal background check from an applicant, to inquire about the process.

Agenda Item #11

New Business

1:40 p.m.

The Board continued the meeting with reviewing the draft regulations that Ms. Carrillo has forwarded to them, as Mr. Derry suggested for it to be discussed under New Business. Mr. Derry states that if the Board agrees with the changes, then Ms. Carrillo can forward the draft to Jun Maiquis, the Division's regulations specialist, who will then review the document before sending to the Department of Law.

On a motion duly made by Alfred Ferrera, seconded by Renee Piszczek and approved unanimously, it was:

RESOLVED to approve and submit the regulations draft for processing as amended by Ms. Carrillo.

TASK:

Ms. Carrillo will forward the regulations draft to Mr. Maiquis.

After accepting the regulations draft to be submitted for review by the Division's regulations specialist, the Board proceeded to review the ASC Compliance Manual Outline that Ms. Carrillo had written. Ms. Carrillo states that her goal is to have the Alaska Real Estate Appraisal Board to be moved from "good" to "excellent" status on the next ASC State Compliance Review. Ms. Carrillo has also stated that she will be seeking Mr. Paff's advice on the compliance manual so as to have input from an investigative point of view. Mr. Derry and Mr. Ferrera commended Ms. Carrillo for her goal on putting the Board under excellent status, as well as in creating the outline for the manual. Ms. Carrillo also suggested adding the position statements and the Board's goals and objectives in the manual as well.

With Mr. Derry's lead, the Board moved to the discussion on the Ethics and Boundaries Assessment Services (EBAS). Ms. Carrillo was tasked during the last meeting to provide more information regarding EBAS. Ms. Piszczek asserts that as a new Board member, she believes that this is something to consider for training or as a class as it is extremely useful, an idea which Ms. Carrillo and Mr. Derry agreed to.

Agenda Item #12

Budget Report

1:47 p.m.

The Board did not have any budget report discussed as this has been previously addressed during the last Board meeting in June 2016. The budget report for the 4th quarter will be reviewed on the next Board meeting.

TASK:

The examiner will determine when the Board will be having their next fee analysis and will relay this to the Board by their next meeting.

Agenda Item #13**AQB Updates****1:50 p.m.**

The next item on the agenda was the Appraiser Qualifications Board Updates. Ms. Carrillo clarified that there was an error on the email, as it should be June 24, 2016, not 2015, which has been correctly stated on the Public Meeting summary provided. The meeting summary included the change to the Criteria, and the Board voting to adopt the change specifically on the three-year Supervisory Appraiser residency requirement. Based on the summary, effective July 1st, 2016, the Supervisor need not be certified in the jurisdiction where the Trainee Appraiser appraises. The Board discussed the constant changes that the appraiser career has been experiencing, from the college degree requirement to the supervisory requirements. Mr. Derry also brought up that some States moved to changing their regulations so that certified appraisers in their State would not need to comply with USPAP, opting to the compliance of the International Valuation Standards. Mr. Ferrera indicated that it was his understanding that this is the case for certain types of appraisals or reports, with not having to be USPAP compliant. Mr. Derry stated that although the International Valuation Standards are quite similar with the USPAP, it is still not considered as the same. Mr. Derry added that the Appraisal Institute is adopting a few professional appraisal standards for clarity, especially since USPAP is in constant flux in terms of the requirements.

Agenda Item #14**Administrative Business****1:56 p.m.**

Since the Board did not have any more issues to discuss under the AQB Updates, Chair, Mr. Derry continued the meeting on agenda item #14, Administrative Business, which began with the review of the Task List from the previous meeting

Task List

Mr. Derry addressed the task lists for each member, including Ms. Carrillo's. Mr. Ferrera, Ms. Piszczek, and Ms. Carrillo noted that their tasks have been completed, while Mr. Derry and Mr. Tracy still have pending responsibilities.

TASK:

The examiner will to forward Mr. Ferrera the work log of Jana Malingowski for the report to be reviewed.

After addressing all the new tasks, Mr. Derry addressed that the Board still needs to fill the vacant Public Member position. Ms. Piszczek stated that she was able to speak with an individual regarding this. Mr. Derry pointed out that the Board would need someone from the general public without any definite real estate background.

Spring AARO Conference

Ms. Carrillo asked the Board if they could discuss the AARO conference happening in April 7th-9th, 2017 in Tampa, Florida. Mr. Derry suggested to have Mr. Tracy attend the AARO conference in April, as well as Ms. Zaguirre and Ms. Carrillo, which the rest of the Board approved.

TASK:

The examiner of supervisor will submit a travel approval request for the AARO Conference in Tampa, FL.

Set next meeting date

Mr. Derry suggested that the next meeting be after the April Conference, which Mr. Ferrera agreed to. The Board has decided to schedule their next teleconference meeting date for Friday, April 14th, 2017, at 9:00 a.m.

Agenda Item #15

Adjourn

2:12 p.m.

Upon a motion duly made by Alfred Ferrera, seconded by Renee Piszczek, and approved unanimously by roll call, it was:

RESOLVED to adjourn the meeting at 2:12 p.m.

Respectfully Submitted by:

Aiko Zaguirre, Licensing Examiner

Approved by:

David Derry, Chair